



MEMORANDUM

SUBJECT: University Program Approval
TO: Board of Directors
FROM: Donna Lewelling
DATE: March 12, 2015

ISSUE BEFORE THE BOARD: Approval of new university program:

- University of Oregon, Master of Science (M.S) degree in Sports Product Management.

BACKGROUND:

The UO proposed a new graduate program in sports product management to be offered in Portland. While the University Provosts Council endorsed the program, it was not endorsed unanimously (2 opposed and 1 abstained). Portland State University (PSU) submitted a letter requesting the HECC (Commission) not approve the program and require UO to partner with PSU before the program is approved.

HECC staff completed a review of the proposed program, including review of supplemental materials that were requested from UO as part of the review. After analysis of these documents and additional conversations with PSU, UO and Commissioners Nesbitt and Dyess, HECC staff is recommending approval of the program as proposed.

RECOMMENDATION:

The Higher Education Coordinating Commission recommends the adoption of the following resolution:

RESOLVED, that the Higher Education Coordinating Commission approve the following program:

Master of Science (M.S.) degree in Sports Product Management at University of Oregon.



UNIVERSITY
OF OREGON

The University of Oregon seeks the Oregon Higher Education Coordinating Commission approval to offer an instructional program leading to a M.S. degree in Sports Product Management.

1. *Describe the purpose and relationship of the proposed program to the institution's mission and strategic plan.*

The master's degree outlined in this proposal meets the mission of the University of Oregon (UO) where we describe enriching the human condition through experiential learning, creative inquiry, collaboration and engagement amongst disciplines. This experiential model uses an integrated design-business pedagogy in order to foster the next generation of transformational leaders and informed participants in the global community. Our mission directs us to connect the economic well-being of our students, Oregon, the nation, and the world. The program epitomizes this goal.

This program will be a pioneer in combining traditional classroom teaching and intensive experiential learning. The experiential learning will include experiences in both the innovation lab (maker space) and the innovation store (retail space).

The program was developed in accordance with the white paper on experiential learning developed by Ron Bramhall, Lundquist College of Business (LCB) faculty, in 2006. The program will serve an established need in the sports product industry, an alpha-cluster of companies in Oregon. The sports product industry has partnered with UO in the development of this program, with over 36 industry executives, representing 18 different companies serving on the Sports Product Management (SPM) External Advisory Board. The companies have agreed to take interns, as well as provide jobs for our graduates. This serves the UO goal of aiding economic development in the state. The Sports Product Management program will support research pertinent to its mission including marketing, cost accounting, sustainable business, product design, human physiology, and green chemistry. This is consistent with the Association of American Universities (AAU) mission, the academic plan of UO, and the College strategic plan. The Sports Product initiative is one of UO's ten designated clusters of excellence.

2. *What evidence of need does the institution have for the program?*

This program was developed after intensive market research. Individual interviews and focus groups involving over 150 senior executives in the sports product industry met to answer the question – “what is the greatest educational need of this industry that higher education could address?” The program designed here is the output of those discussions. Further, there is a 36 person External Advisory Board, representing 18 sports product companies, that meets three times yearly to continue input on the development of the program. We also conducted interviews with approximately 50 current Warsaw Sports Marketing Center affiliated undergraduate and MBA students, as well as LCB alumni affiliated with the Warsaw Sports Marketing Center currently working in the sports product industry. Their support was strong and they felt this would be a valuable addition to the UO efforts to create an educational pathway into the sports product industry. The first offerings have been multiple day workshops. The last four workshops have sold out, with participants attending from across the United States as well as international participants.

This program does not directly compete for sports business students affiliated with the Warsaw Sports Marketing Center as they address very different segments of the sports industry. Sports business is involved in the service sector including events, sponsorships, and marketing. These students typically have backgrounds in marketing, management, humanities, social sciences and journalism. Sports product management overlaps the manufacturing or product sector. Sports product management students will have backgrounds in bio-mechanics, engineering, chemistry, design, supply-chain management or business. Together, the Warsaw Sports Marketing Center and Sports Product Management program place UO at the forefront of education and research for the sporting industry, a critical sector of the Oregon economy.

We are not able to accept applications for this program currently since it has not yet been approved. In order to meet our tight timeline, we have taken pre-applications. Potential students register online including backgrounds and contact information so that we may send them application materials upon approval of the program. To date, we have 83 pre-applications from around the world.

3. *Are there similar programs in the state? If so, how does the proposed program supplement, complement, or collaborate with those programs?*

Portland State University (PSU) has recently initiated an undergraduate Athletic & Outdoor certificate aimed at educating students for sports product retailing. PSU has no product design so their program is structured very differently than our proposed M.S. program. PSU is also offering an Athletic & Outdoor non-credit certificate through their academic extension arm. These programs are complementary and also needed by the industry.

We have collaborated with PSU in our program development. James Bean, Sr., Associate Dean for Academic Programs (UO) met multiple times with Scott Dawson, Dean (PSU) to

discuss collaboration and positioning of PSU's Athletic & Outdoor undergraduate certificate and UO's Sports Product Management graduate program. Ellen Devlin (UO) and Lauren Beitelspacher (PSU) have worked closely together. Later this year, the two programs are jointly presenting a Materials Summit for Sports Product. We anticipate these collaborations continuing after SPM is launched.

In their response to our proposal, PSU suggested several additional collaboration options. We appreciate the constructive response from PSU.

- **Could PSU Faculty teach in the program?**

We have a great deal of respect for PSU School of Business Administration faculty members. We would be happy to consider PSU faculty as potential instructors within the SPM program. We look forward to exploring with Portland State how their faculty could enhance this program and contribute to the highly integrated, cohort pedagogy that we believe will be most beneficial to student learning. We believe that such an arrangement would strengthen the new program.

- **Why an M.S. rather than Certificate?**

As noted, this program began with individual interviews and focus groups with 150 industry executives and professionals. The current structure evolved from that consensus. We are developing certificates in Eugene associated with the MBA and undergraduate programs there, but a certificate will not provide the intensity of experiential learning required and it does not have enough depth for the intensive design/management co-education planned in SPM. We have invited PSU to consider developing an accelerated MBA for SPM students who, later in their careers, seek to move from product development to general management within the sports product industry. Since the MS SPM does not include many topics traditional to an MBA, a tailored PSU accelerated MBA could fill that gap.

- **Why do it in Portland?**

Oregon has an alpha-cluster of the sports product industry. Ninety percent of this cluster is in the Greater Portland area. Industry professionals have been, and remain, closely involved with the program including an External Advisory Board, guest teaching, laboratory work, interacting with students, mentoring, internships, etc. Since the bulk of the industry is in Portland, they want the program to be in Portland.

4. *What new resources will be needed initially and on a recurring basis to implement the program? How will the institution provide these resources? What efficiencies or revenue enhancements are achieved with this program, including consolidation or elimination of programs over time, if any?*

We have already raised funding necessary to get us to program launch/tuition flow. We have a long-term business model that is based on endowment, operational gifts, and tuition funding flowing from the University budget model. The Board of Advisors of the Lundquist

College of Business has indicated that raising \$20M for this program will be one of the College's highest priorities for the current campaign. Currently two prospective donors are considering leadership gifts to the program. We have one verbal commitment. The partner Product Design program is ranked highly in the School of Architecture & Allied Arts and University priorities for the campaign. The SPM startup expenses are being covered by gifts of \$525,000 in addition to the \$400,000 loan from the Provost's Office to be repaid from program proceeds. The University's Strategic Initiative process provided an additional \$150,000 for program startup.

All appropriate University committees, the UO Board of Trustees, and the Statewide Provosts Council have positively reviewed the proposed program.

Recommendation to the Commission

The Statewide Provosts Council recommends that the Oregon Higher Education Coordinating Commission authorize the University of Oregon to establish to establish an instructional program leading to a Master of Science (M.S.) degree in Sports Product Management, effective Fall 2015.

Institution and Program: University of Oregon – M.S. in Sports Product Management

Action: At the January 8, 2015 meeting, the Statewide Provosts Council approved a new program, M.S. in Sports Product Management, to move forward to the Oregon Higher Education Coordinating Commission for its review/approval. It was noted that five provosts (OSU, Oregon Tech, SOU, UO, WOU) approved the program; two provosts (EOU, PSU) opposed it; and one provost (OHSU) abstained. The University of Oregon Board of Trustees approved this program at their December 11, 2014 meeting.

Eastern Oregon University

Sarah Witte, interim provost

Approved

Opposed

Abstained



Oregon Health & Science University

Jenny Mladenovic, provost

Approved

Opposed

Abstained



Oregon State University

Sabah Randhawa, provost

Approved

Opposed

Abstained



Oregon Tech

Brad Burda, provost

Approved

Opposed

Abstained



Portland State University

Sona Andrews, provost

Approved

Opposed

Abstained



Southern Oregon University

Susan Walsh, interim provost

Approved

Opposed

Abstained



University of Oregon

Frances Bronet, acting provost

Approved

Opposed

Abstained



Western Oregon University

Steve Scheck, provost

Approved

Opposed

Abstained



Office of Academic Affairs

Post Office Box 751 503-725-3422 tel
Portland, Oregon 97207-0751 503-725-5262 fax

January 26, 2014

REQUESTED ACTION BY THE HECC

Portland State University (PSU) requests that the Higher Education Coordinating Commission (HECC) NOT approve (even conditionally) the University of Oregon's (UO) proposed Master of Science (MSc) in Sports Product Management (SPM) program until a formal agreement is reached between UO and PSU regarding program collaboration.

BACKGROUND

In 2013, the Legislature provided Oregon's public universities with greater governance autonomy, while empowering the Higher Education Coordinating Commission with a robust statewide coordinating role. The Legislature imposed a duty on the HECC to carefully consider and review requests for significant changes to academic programs at public universities and for the approval and authorization of new degrees. The Legislature felt so strongly about this role of the HECC that it codified these requirements in both the statute limiting the authority of institutional governing boards (ORS 352.089(3)) and the statute regarding the duties of the HECC (ORS 351.735(3) (g)). Both statutes state that the HECC, prior to the approval of any new program, "*shall ensure*" that approved programs:

- Do not unnecessarily duplicate academic programs offered by Oregon's other community colleges or public universities;
- Are not located in a geographic area that will cause undue hardship to Oregon's other community colleges or public universities; and
- Are allocated among Oregon's community colleges and public universities to maximize the achievement of statewide needs and requirements.¹

The University of Oregon's current proposal fails all three of the above-mentioned statutory requirements. However, these shortcomings would be mitigated considerably—and the proposed program strengthened—if the program were offered in collaboration between UO and PSU, as discussed below.

¹ There is one additional consideration mandated by the statutes: whether a proposed program is consistent with the mission of the public university. PSU does not contend that UO's proposed SPM program is inconsistent with UO's mission. Therefore, we do not discuss that factor here other than to point out later in this document that lack of collaboration with PSU undermines PSU's mission.

ANALYSIS OF STATUTORY CRITERIA

Duplication of Academic Programs

PSU has offered a Masters in Business Administration (MBA) program in the Portland region since the early 1970s. At present we have 90 students enrolled (full-time and part-time) in our program. Our MBA program has become nationally recognized for its quality of instruction and students, with the Part-Time MBA having obtained a top 100 ranking by US News & World Report (USN&WR) the past two years. Two of PSU’s online business graduate programs – the Master of Science in Global Supply Chain Management and the Healthcare MBA – were recently ranked in the top 50 by USN&WR. In all, PSU offers its MBA program plus five niche graduate business programs. PSU has fully developed the capacity to deliver graduate business education in the Greater Portland area and beyond.

A significant portion of the proposed UO MSc SPM is comprised of graduate business content, including strategic cost accounting, marketing strategy, strategic management, financial accounting, operations management, information systems and marketing research. All of this content is delivered in the PSU MBA as well as the other five niche PSU graduate programs.

Although we recognize that the proposed UO program will offer a unique perspective to students related specifically to the sports industry, the table below illustrates the significant duplicative and overlapping content between the proposed UO MSc SPM and the PSU MBA.

Proposed MSc SPM		PSU MBA	
Course #	Course Title	Course #	Course Title
<i>SAME CONTENT</i>			
ACTG 662	Strat. Cost Mgmt	ACTG 522	Strat. Cost Mgmt
MKTG 665	Marketing Strat.	MKTG 512	Marketing Strat.
MGMT 614	Strat. Mgmt.	MGMT 511/512	Strat. Mgmt.
ACTG 612	Fin. Accounting	ACTG 511	Fin. Accounting
DSC 577	SC, Ops & IS	ISQA 511	Sust. Operations Mgmt.
		ISQA 515	IS & Technology
<i>SIGNIFICANT OVERLAPPING CONTENT</i>			
MKTG 660	Marketing Research	MKTG 511	Pioneering Innovation
SBUS	Practicum	BA 509	Capstone Consulting Project

The duplication of this core graduate business curriculum in the Portland area is unnecessary and inefficient. However, these concerns would be mitigated if the program were offered in collaboration with PSU.

Undue Hardship

The statutory factors mentioned above require the HECC to include geographic considerations in its analysis and to avoid locating programs in an area of the state where doing so will cause undue hardship to another Oregon public university. We ask the HECC to look at undue hardship from a variety of perspectives: 1) university mission differentiation, 2) negative impact of a single program, and 3) the compounding detrimental impact of multiple institutions offering programs in Portland.

The HECC, and before that the State Board of Higher Education, has emphasized mission differentiation as a key attribute of our statewide system of higher education. PSU's key unique mission is that it serves the needs of the Portland region. Indeed, it is its *raison d'être*. Permitting another Oregon public university to enter the Portland marketplace to serve such needs by itself, particularly when PSU has offered to join that university in a collaborative effort that would strengthen the proposed program, directly undercuts PSU's very reason for existence.

If UO is permitted to “go it alone” with a graduate business program that substantially duplicates core graduate business curriculum in the Portland area as detailed above, such a program will have a negative impact on PSU's own graduate business programs. PSU's programs are increasingly well-regarded nationwide and will soon be located in a new, state-of-the-art School of Business Administration building in the heart of downtown Portland, funded with significant state bond financing. A UO program offered without collaboration with PSU would result in competing and confusing program choices for graduate business students. This undue hardship on PSU should be avoided.

The MSc SPM will be notably stronger – to the benefit of the students and industry – with a formalized partnership between UO and PSU. PSU offers six different graduate business programs in the Portland area and has significant experience running degree-based partnerships with institutional partners, as discussed more fully below.

In addition, the HECC should consider the compounding detrimental impact that program offerings in Portland would have on PSU. If the HECC allows Oregon's public universities to offer their own revenue generating “niche” programs in Portland, the net impact will make it more expensive for PSU to offer its array of programs and result in increased costs to students. Collaboration, on the other hand, strengthens the university partners, minimizes adverse impacts, and maximizes efficiency and cost-containment for the benefit of students.

Allocation of Academic Programs

A third statutory factor that the HECC must consider is the allocation of programs among Oregon's public universities in a manner that maximizes the achievement of statewide needs and requirements. The establishment of competing graduate business programs and the duplication of core graduate business curriculum in the Portland area are inconsistent with the efficient allocation of programs and the maximization of benefits to Oregon students. Rather than force Oregon's universities to compete for students in the same area, the HECC and the universities should foster cooperation and collaboration to leverage and maximize the offerings to students while minimizing duplication, inefficiency and competition.

PROGRAMMATIC RATIONALE FOR COLLABORATION

Collaboration Potential

Formal collaboration is compelling for a number of reasons. A formalized partnership between UO and PSU would (1) most effectively serve students enrolling in the program (2) combine institutional networks to support the regional alpha cluster associated with sports, (3) respect and uphold that PSU is the primary institution in this geographic service region and (4) leverage the resources of both universities.

PSU has a strong and proven track record of positive collaboration with other institutions in graduate business education. For over twenty years, PSU faculty taught in the Oregon Executive MBA (OEMBA) program. Because of the quality of PSU faculty and the proximity to the program in Portland, it was not uncommon for more than half of the OEMBA courses to be taught by PSU faculty. Students in this program regularly awarded PSU faculty members teaching excellence recognition. PSU and OHSU have offered the joint Healthcare MBA for over six years. This joint degree program combines the healthcare-related expertise of OHSU faculty with the business management-related expertise of PSU faculty. PSU and OHSU are currently working on a joint School of Public Health in which all degrees will be joint degrees.

Better Together Than Apart

PSU faculty members are highly experienced in teaching graduate business courses. These faculty live and work in the Portland region. A formalized partnership, which includes PSU faculty members, will ensure faculty members are readily accessible to students and possibly provide a lower overhead for the program's operations. It will also give the program more "bench strength," ensuring that there is depth and breadth of faculty teaching in the program and contributing to the student experience.

Combining the institutions' industry networks will provide significantly greater benefit to students and cluster companies. UO's relationship with the sports alpha cluster is not unique. PSU also possesses very strong relationships with the companies in this cluster; executives from Nike and Columbia are on PSU's Business Advisory Council, executives from Nike, Columbia, KEEN, Gerber, Yakima, Icebreaker, and other related firms sit on our Athletic & Outdoor Gear Advisory Council, and student capstone projects are completed for firms in this cluster every year. A formalized collaboration can enhance the interaction and support of the sports alpha cluster and demonstrate to industries in Oregon how our universities collaborate for the better interest of all.

Why Formal Collaboration

We recognize that good will and intentions to work together form the foundation for collaboration. However, we also know that frequently, in the absence of a formal partnership, collaborations fall apart due to change in personnel and the lack of a clear and common understanding of the partnership details. We do not think the collaboration between UO and PSU for this program should be left to chance and a hand-shake deal. There needs to be a formal partnership agreement that clearly articulates the roles and responsibilities of each university, prior to HECC approval of this new program.

CONCLUSION

PSU respectfully requests that the HECC not approve the current request from UO to establish an MSc SMP program in Portland until a collaboration agreement is reached by the two universities. We do not take this position lightly. It is always difficult to oppose a proposed program offering by colleagues. However, PSU feels strongly that the program request before the HECC, as currently written, would be detrimental to PSU, would unnecessarily duplicate graduate business curriculum, would create unnecessary competition in the Portland area, would be an inefficient allocation of resources, and is inconsistent with both the explicit criteria and the fundamental objectives established by the Legislature. Through collaboration, these shortcomings can be addressed. In the meantime, non-approval of the program request is necessary.

Sincerely,



Sona Karentz Andrews
Provost and Vice President for Academic Affairs
Professor of Geography
Portland State University

To: Ben Cannon, Executive Director
From: Salam Noor, Director of Academic Planning and Policy
Subject: UO Master of Science in Sports Product Management
Date: February 27, 2015

General Background Information Regarding University Program Approval:

Oregon law establishes that the Higher Education Coordinating Commission (HECC) shall approve new academic programs at community colleges and public universities, or significant changes to academic programs at community colleges and public universities, before they may be offered.

Under ORS 351.735, the HECC shall ensure that approved programs satisfy the following criteria:

- (A) Are consistent with the mission statement of the community college or public university;
- (B) Do not unnecessarily duplicate academic programs offered by Oregon's other community colleges or public universities;
- (C) Are not located in a geographic area that will cause undue hardship to Oregon's other community colleges or public universities; and
- (D) Are allocated among Oregon's community colleges and public universities to maximize the achievement of statewide needs and requirements.

In order to evaluate proposed programs against the statutory criteria and assist in the recommendation that HECC staff makes to the Commission for approval/disapproval, public universities are asked to provide the following program information:

1. Program Description – classification, scope, courses, outcomes, enrollment, faculty and institutional resources, etc.
2. Relationship to mission and goals – direct fulfillment of mission and strategic goals, student access and success, statewide goals and priorities.
3. Accreditation -- accrediting body or professional society that has established standards in the area in which the program lies.
4. Need – labor market demand and external validation of demand, shared regional area of the state, and improved educational attainment in region and state.
5. Outcomes and quality assessments -- expected learning outcomes of the program and methods of assessment to improve curriculum and instruction, and performance indicators.
6. Program integration and collaboration – relationship to and potential impact on similar programs at public and private institutions, and potential for collaboration.
7. Financial sustainability – business plan with long term financial viability.
8. External review (for graduate programs).

In addition to gathering the information described above, the HECC has also asked the University Provosts' Council to make formal a recommendation to the HECC with respect to each proposed program. Based on discussions of the Commission, HECC staff understands that unanimous endorsement by the Provosts Council should result in an expedited review by HECC staff and the likely inclusion of the proposed program as a consent item on the HECC's agenda. Likewise, HECC staff understands that in the event the Provosts Council does not unanimously endorse a proposed program, the HECC will conduct a more extensive review of the proposed program and make a recommendation to the Commission.

Specific Background Information Regarding UO's Proposed New Master of Science in Sports Product management:

1. The UO's Master of Science in Sports Product Management was proposed to the Provosts' Council in January 2015 for endorsement. The Provosts' Council endorsed the program with two objections and one abstention.
2. Subsequent to Provosts Council action, PSU submitted a formal letter requesting that HECC not approve the proposed program until a formal agreement is reached between UO and PSU regarding program collaboration. PSU's letter further asserted that "the University of Oregon's current proposal fails all three of the above-mentioned statutory requirements". Furthermore, PSU intimated that "these shortcomings would be mitigated considerably—and the proposed program strengthened—if the program were offered in collaboration between UO and PSU, as discussed below".
3. As part of the standard review process, the HECC requested additional information from the UO including:
 - a. Data on labor market demand including number of employers in this industry and projected labor market trends.
 - b. Proof of employer commitment for placement of interns and need for individuals with this specific skill set for future employment opportunities.
4. On February 3, 2015, HECC received the additional requested information and supporting documentation relative to industry need and support.

HECC Staff Findings on the Proposed UO Program Relative to Statutory Criteria

1. *"Consistent with the mission statement of the ... public university."*

After careful review, the HECC staff determined that the proposed program fits within the mission of the University of Oregon. That mission reads: "The University of Oregon is a comprehensive public research university committed to exceptional teaching, discovery, and service. We work at a human scale to generate big ideas. As a community of scholars, we help individuals question critically, think logically, reason effectively, communicate clearly, act creatively, and live ethically." There is evidence of a complement of programs focused on the sports business and marketing industry.

2. *"Do not unnecessarily duplicate academic programs offered by Oregon's other ... public universities."*

To determine whether or not the proposed program represents "unnecessary duplication," HECC staff reviewed (a) evidence of actual program duplication; (b) industry demand for graduates; and (c) whether there are opportunities for collaboration.

- (a) Program duplication

While several course titles in the sequence proposed by UO duplicate courses offered at PSU, the description of the program's focus, purpose, and outcomes, lend themselves to areas not covered by

existing programs, and meet a specified range of industry knowledge and skills. While specific courses may be duplicative, the program as a whole is not.

Moreover, we recommend that the Commission should apply a higher standard to reach a finding of “unnecessary duplication” for graduate programs than it should for undergraduate ones. For undergraduate programs, which by design represent more generalized content and are likely to compete for the same Oregon students, our initial presumption should be that significant duplication exists. For graduate and professional programs, which are likely to be more specialized, we would recommend the reverse. Moreover, the external review required of graduate programs (but not undergraduate ones) helps ensure the programs meet industry needs, provide ample placement opportunities for prospective students, meet a broad regional, state, and national need, and achieve the maximum efficiency to avoid unnecessary duplication.

(b) Industry demand

The UO’s supplemental material included a 2010 White Paper by Joe Cortright of Impresa, Inc. an economist, titled “The Athletic and Outdoor Industry Cluster”. The document provides an overview of the cluster and highlights many of the dynamics within this highly competitive workforce arena. The white paper references labor market demand by stating that *“This cluster consists of more than 300 firms with a payroll, and employs more than 14,000 Oregonians, at an average wage of more than \$80,000 annually” as well as “3,200 self-employed individuals with sales of \$100 million annually”(i). Within the state, the athletic and outdoor industry includes “more than 700 firms with a payroll. Total statewide payroll in 2008 was more nearly \$1.2 billion”.*¹

The white paper also indicates that the majority of employers within this industry cluster are located in the Portland-metropolitan area. Examples of these employers include Nike, Adidas and Columbia. Because employers are located within this region, it is reasonable to assume that many of the students seeking a degree in sports project management are also located in this region. In addition to the white paper, UO provided HECC with the biographies of the external reviewers and a letter outlining employer support of the program including a signed letter from the advisory committee stating that “the sports product industry greatly needs a master’s program that educates students on the complete sports product life cycle. Currently, new hires start in the industry without the complete skill set they require to be successful from the outset. The University of Oregon’s proposed Master’s Program will give students the theoretical and practical skills they need to excel in sports product industry positions.” Twenty three employers signed the letter of support. Based upon the HECC staff review, it appears that there is a sufficient state and perhaps national labor market need to support a Sports Product Management program in the Portland area.

(c) Collaboration

Opportunities for collaboration as described by both PSU and UO will further enhance the quality of the program and expand opportunities for perspective students. The UO’s memo regarding collaboration highlighted the distinction of each university’s program offering’s and foci, while maintaining that there will be room for collaboration and partnership moving forward to accommodate the varying needs of employers and this growing industry.

¹ Source: <http://pdxeconomicdevelopment.com/docs/activewear/athletic-outdoor-cluster-analysis.pdf>

3. *“Are not located in a geographic area that will cause undue hardship to Oregon’s other community colleges or public universities.”*

Currently PSU’s MBA program in the Portland region has 90 students enrolled (full-time and part-time). Anticipated enrollment in the UO’s proposed program over the course of the first five years (beginning in Fall 2015) is 20, 30, 40, 40 and 50 students. UO anticipates that the student demographics will be one quarter Oregon residents, one quarter domestic out of state, and one half international students. UO reports that interest levels in the program are high. We conclude that the UO program will be filled primarily by students who are attracted to Oregon specifically for the Sports Product Management program, and will not impose significant hardship on PSU’s much larger MBA program.

We note that there are examples of several specialized university programs operating in another university’s geographical area, such as:

- Eastern Oregon University maintains several regional offices including offices at Chemeketa Community College, Southwest Oregon Community College, and Mt. Hood Community College in Gresham. EOU-Gresham is a national model for creating regional residential programs, and the business administration program offered there is the university’s largest off-campus program. (Source: <http://www.mhcc.edu/currentstudents.aspx?id=595>)
- Oregon State University maintains a satellite office in Portland that supports strategic partnerships with government agencies, non-profit organizations, and other institutions of higher education and provide invaluable opportunities that benefit both OSU students and the Portland-area public. Students from the College of Veterinary Medicine receive hands-on experience at the Oregon Humane Society through residencies at the Animal Medical Learning Center. College of Pharmacy students spend one year of their four-year professional program studying at Oregon Health and Science University, a relationship which will expand with the opening of the future Collaborative Life Sciences Building in Portland’s South Waterfront District. (Source: <http://oregonstate.edu/portland/about>)
- Portland State University maintains a MSW (Distance) Program in Salem where some classes are taught on the Chemeketa Center for Business and Industry Complex. (Source: <http://www.pdx.edu/ssw/msw-distance-option-salem-site>.)

There are other examples of programs serving students outside of their regional area. All of these programs were initiated and offered based on the demand by prospective students and employers prepared to offer placements and employment opportunities. We are optimistic PSU and UO will pursue collaborative arrangements in the future to further support the program, and both institutions. The UO’s Master of Science in Sports Product Management has met the threshold for industry demand, student enrollment, student placement, and minimal duplication in a particular regional area of the state.

Furthermore, given the anticipated number of participants in the UO program and the current enrollment in the PSU program, the HECC staff has concluded that the proposed UO program does not cause undue hardship on PSU. This is true especially since this graduate program is likely to serve state, national, and international workforce needs and not solely localized ones. This is also positive for achieving Oregon’s 40-40-20 goal of increased certificates and degrees.

Conclusion

"[Programs shall be] allocated among Oregon's community colleges and public universities to maximize the achievement of statewide needs and requirements."

Given the clearly demonstrated employer and industry need for this program, the great majority of employers residing and operating in Portland, and the students the program proposes to serve – state, national, and international – HECC staff believes it is in the state's interest for this program to operate in Portland. Future collaboration between PSU and UO to achieve program enhancements and efficiency of resources is highly encouraged.

Recommendation: approval as proposed.